

READ ME FILE

Title: Modelling Reserve Demand with Deposits and the Cost of Collateral

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Description

This 'read me' file details the replication files for RDP 2024-08. Data for figures appearing in the RDP can be found in the spreadsheet 'rdp-2024-08-graph-data'. In the 'Code' folder there are three R files. '1 Create overnight funding and NCOs data.R' splits up banks' net cash outflows by residual maturity – this data is later used for robustness in estimation. Users will not be able to run this script as it requires access to data that is unavailable due to third-party provider restrictions. Likewise, '2 Create data for estimation.R' creates data used for estimation but will not be able to be run due to the same restrictions. The output from both R files are saved in 'Data for estimation.xlsx' which is used in '3 Estimation and graphs.R' to produce the results presented in the paper and the appendices. Data from Bloomberg which is used in robustness checks is not included in 'Data for estimation.xlsx' due to license restrictions. Code which runs estimations using Bloomberg data will fail for the user. The R files were run on R Version 4.4.0 (64 bit).

If you make use of any of these files you should clearly attribute the author in any derivative work.

Data

- Data for estimation.xlsx contains the publicly available data used in the paper.
- rdp-2024-08-graph-data.xlsx contains the publicly available data used in graphs for this paper. The data from Bloomberg used in Figures 7 and 11 are not available due to third-party provider restrictions.

Code

- 1 Create overnight funding and NCOs data.R: splits up banks' NCOs by residual maturity.
- 2 Create data for estimation.R: creates data to use in regressions.
- 3 Estimation and graphs.R: performs estimation and graph drawing.

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